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DE RUEHTA #0588/01 0931019
ZNR UUUUU ZZH
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FM AMEMBASSY ASTANA
TO RUEHC/SECSTATE WASHDC IMMEDIATE 5087
INFO RUCNCIS/CIS COLLECTIVE 1443
RUCNCLS/ALL SOUTH AND CENTRAL ASIA COLLECTIVE
RUEHZL/EUROPEAN POLITICAL COLLECTIVE
RUEHBJ/AMEMBASSY BEIJING 0821
RUEHKO/AMEMBASSY TOKYO 1524
RUEHUL/AMEMBASSY SEOUL 0508
RHEBAAA/DEPT OF ENERGY WASHDC
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RUEAIIA/CIA WASHDC
RHEFAAA/DIA WASHDC
RHEHNSC/NSC WASHDC 1006
RUEKJCS/SECDEF WASHDC 0919
RUEKJCS/JOINT STAFF WASHDC
RHMFIUU/CDR USCENTCOM MACDILL AFB FL

UNCLAS SECTION 01 OF 04 ASTANA 000588

SENSITIVE
SIPDIS

STATE FOR SCA/CEN, EUR/RUS, EAP/CM

E.O. 12958: N/A

TAGS: [PGOV](#) [PHUM](#) [ECON](#) [EMIN](#) [SENV](#) [SOCI](#) [CH](#) [RS](#) [KZ](#)

SUBJECT: KAZAKHSTAN: LIFE IN A SMALL MINING TOWN

11. (U) Sensitive but unclassified. Not for public Internet.

12. (SBU) SUMMARY: PolOff visited Ridder, a mining town in East Kazakhstan oblast March 8-12, and had an opportunity to observe the local socio-economic environment. Close to the Russian and Chinese borders, Ridder seems almost like a living relic of the Soviet Union. There has been little change to the town's infrastructure since Kazakhstan became independent. No new buildings have been built in Ridder, the same mines continue to fuel the city's economy and pollute the environment, and Russian remains the dominant language. The most significant changes since Kazakhstan's independence have been the installation of ethnic Kazakhs in positions of power throughout the city, and the introduction of the market economy, which has led to significant growth in trade with China. Partially as a result in the influx of cheap Chinese goods, Ridder's cost of living is half of that in Astana or Almaty, although low wages outside of mining and high unemployment pose serious economic challenges. Residents told PolOff that the global economic crisis is hitting the city hard. Ridder's inhabitants said they are eager to learn English and interact with foreigners, and many reported that they travel frequently to Russia and China. Overall, most residents of Ridder seem attached to their small border town, but many of PolOff's interlocutors expressed concern about the pollution from mining and metallurgy, on which their city depends. END SUMMARY.

RIDDER: STILL A SOVIET-STYLE CITY

13. (SBU) Ridder is a mining town with a population of 60,000, located in northeastern Kazakhstan near the border with Russia and China. Emphasizing its roots as a Russian and later a Soviet pioneer settlement, many residents still prefer to call the town by its former name, Leninogorsk. In many ways, Ridder seems frozen in time. Mostly Soviet-made "Lada" cars ply streets named after Soviet World War II heroes and giants of Russian literature. Mines and factories belch out smoke. In the center of the city, housing consists mainly of concrete Soviet apartment blocks. In stark contrast to Astana or Almaty, PolOff did not observe any new construction. Most locals still call Ridder's main thoroughfare, Independence Street, by its former name -- Lenin Street. Surrounding Lenin Street is a large, central town-square, with a monument to the many citizens of Ridder who gave their lives during

the Great Patriotic War on one side. On the other side is the the Palace of Culture, which, based on old photos in the Ridder City Museum, also appears to have remained unchanged from the Soviet period.

ETHNIC RUSSIANS MAKE UP MOST OF POPULATION...

¶4. (SBU) The dominant language of conversation in Ridder is Russian -- a reflection of the fact that the overwhelming majority of the population is ethnic Russian. Even store signs, advertisements, and billboards in Kazakh were few compared to what's seen in other parts of Kazakhstan.

¶5. (SBU) Many interlocutors told PolOff anecdotes emphasizing their close ties to Russia. One Russian woman told PolOff that although she had grown up in East Kazakhstan oblast, and had been to Russia only once to visit a sister who had resettled there, she planned to retire to Russia. "There is too much of a focus on Kazakh ethnicity in Kazakhstan now," she said. A Tatar family told PolOff, "we understand Kazakh, but we don't really like listening to, or speaking, it. We consider ourselves to be ethnic Russian Tatars." Moreover, since there are no universities in Ridder, PolOff's interlocutors said most of Ridder's young people choose to attend university in the Russian cities of Novosibirsk and Tomsk. While there is a Russian Orthodox Church in Ridder, PolOff did not see a single mosque there.

...BUT KAZAKHS DOMINATE THE OFFICIAL STRUCTURES

¶6. (SBU) Another EmbOff also traveled to Ridder in March, and spent many hours observing local court proceedings. The vast majority of officials in positions of power in the law enforcement and judicial

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system in Ridder whom EmbOff encountered were ethnic Kazakh -- which stands in stark contrast to the actual demographics of Ridder. Inside the courthouse, the ethnic Kazakh police officers, judges, and clerks addressed each other solely in the Kazakh language, even when an ethnic Russian was participating in the conversation. During the many hours spent in the courthouse, EmbOff did not observe a single ethnic Russian police officer.

POLLUTION -- A SERIOUS PROBLEM

¶7. (SBU) Despite its small population, the city occupies an entire valley, stretching 20 by 27 kilometers. Local buses require 30 to 40 minutes to travel from one end of the city to the other. The geographical center of Ridder is an electrical station on top of a hill, adjacent to which Communist Youth League volunteers built a park during Soviet times. On one side of the hill is a smaller and wealthier residential community, and on the other side lies the bulk of the city, including several mines, Soviet-era apartment buildings, and the town's commercial center. A local pensioner strolling in the park told PolOff that all the land from Ridder to Ust-Kamenogorsk (i.e., the capital of East Kazakhstan oblast) has been badly polluted by mining and metallurgy. Pointing in the opposite direction, towards the newer residential community nestled in the foothills of the Altai mountains, he said, "The water is better up there, but look at how the trees have been clear-cut." Turning toward the site of another mine, the pensioner said, "They're mining gold and other minerals there. There are gold and minerals under this very mountain, but at least for now we still have this park." PolOff personally observed that the forest on the hill is not very healthy. Without the biodiversity provided by leaving some older trees and ground cover, the many thin trees have grown too close together.

PILLARS OF THE ECONOMY: MINING, TRADE WITH CHINA

¶8. (SBU) Local interlocutors told PolOff that mines generate almost all of the city's income, and miners make approximately \$670 per month. In contrast, in service jobs outside of the mines, it is difficult to earn even \$200. Although the facilities of one of Ridder's largest mines looked old, it had a full parking lot, even containing a few Japanese-manufactured SUVs in addition to the Ladas.

¶9. (SBU) Trade with China is another pillar of the local economy. Out of twelve spontaneous encounters with local citizens, four men were engaged in trade with China, one young couple worked for the army, while others worked at the local nature preserve, the city court, and a store, and as an engineer and a nurse. One woman was unemployed, and one man was a pensioner. Of the four men trading with China, each had their own niche business. One man ran his own small electronics shop in a local mall filled with individual shops.

His wares ranged from hearing aids and telephones to computer parts. A second ran a local hotel and the attached Chinese restaurant. His friend was also involved in trade with China, as was a talkative man that PolOff met in a barbershop, although PolOff never found out exactly what they sold. All PolOff's interlocutors doing business with China said that their sales volumes had recently dropped by at least 50 percent since people are cutting back on non-essential spending in the wake of the global economic crisis. Of the four traders, two appeared to be ethnic Russian, and two ethnic Kazakh. The restaurant owner, who employed a non-Russian speaking Han Chinese chef, told PolOff that while local ethnic Kazakh and Uyghur traders sometimes participate in trade, Han Chinese play the key role in cross-border commerce.

EVERYTHING IS CHEAPER IN RIDDER ...

¶10. (SBU) In keeping with Ridder's low average income and proximity to cheap goods from China, prices for a meal in a restaurant or a haircut were at least 50 percent lower than in Astana. Moreover, most residents told PolOff they buy inexpensive local produce, such as fresh fish, milk, and pickled cucumbers, sold on the streets every morning by elderly ladies supplementing their pensions. In both of Ridder's main markets, local residents were also selling

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cheap Chinese clothing and shoes, including one middle-aged woman selling shirts, displayed on a clothesline strung between two trees, for only two dollars each.

... BUT A BARBERSHOP CHAT REVEALS PROBLEMS

¶11. (SBU) PolOff encountered a talkative and outspoken interlocutor in a local barbershop. An ethnic Kazakh gentleman in his late fifties asked numerous questions about the financial crisis including, "Why did the crisis start?," "How long does America intend to allow its financial problems to affect the rest of the world?," and "How will America resolve the crisis?" Drawing a middle-aged female customer into the conversation, PolOff's interlocutor complained about Ridder's poor economy and how many people were out of work. The elderly gentleman, who said he was employed buying and selling various goods from China, blamed the financial crisis on Kazakhstan's leadership, saying "Our economists in the capital in Astana, what were they thinking when they made their budgets? They expected to get \$90 per barrel of oil, but we can only get \$45 now. And we can't even complain. If I say anything, I'll get hauled off by the police. Everything here is 'without limits.' This morning, I was a little bit drunk, and the police called me over to check my documents, and they took everything I had as a bribe."

¶12. (SBU) The man recollected that during the Soviet era, he had listened to American rock music, hoping for the freedom it represented. "We were deceived, though," he complained. "We thought that when the Soviet Union fell, we would have democracy -- but now, you see what we have? It's not democracy, but it's not stable either. The old days of having nothing to buy are gone, but so are our jobs. We have everything we could want to buy now, but there is not enough work, and everything costs a lot of money."

POSITIVE ASPECTS OF SMALL TOWN LIFE...

¶13. (SBU) Many of Ridder's young people told PolOff that despite the bad economy, they wouldn't want to leave, since the area has mountains ideal for enjoying year-round outdoor activities. PolOff observed that stores were filled with sporting gear and young people were indulging in all sorts of winter sports. Interlocutors also told PolOff that boxing matches pack in large crowds, while on a

Sunday evening, a local hotel's billiards parlor was filled with loud music and patrons partying into the early morning hours. Despite our observations of possible ethnic divisions, particularly in the local administration, Ridder still appears to be a harmonious and low-crime environment, especially in comparison with large cities like Almaty and Astana. Children were playing unattended, residents were strolling the streets at all hours of the day and night, and PolOff personally observed two young ethnic Kazakh youths helping an old ethnic Russian woman across the main street.

¶14. (SBU) For those interested in English, PolOff's interlocutors praised the role of the Peace Corps in providing Ridder's youth with opportunities to develop their English. PolOff observed that residents gathered every Sunday in the local library to practice English with all the foreigners in town. PolOff also met with three families who had hosted Peace Corps volunteers, all of whom said that the Peace Corps Program is critical to helping the people of Ridder. One local resident, who sold fish out of a container truck in the local market, reminisced at length about her close personal relationship with the young woman who had lived with her family. She said that it was because of this experience that her son, who is studying English and Chinese in Ust-Kamenogorsk, already speaks excellent English, and had even interpreted for an ambassador visiting the region.

... BUT MANY DOWNSIDES TOO

¶15. (SBU) Despite palpable pride in their community, PolOff's various interlocutors also voiced concerns about the economy, pollution, and social problems in Ridder. Serious mining accidents reportedly occur almost every month. Residents told PolOff they are very concerned about pollution associated with the mining and

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metallurgical industries. They also told PolOff that there are many "sudden deaths" of young male residents in their twenties and thirties, which may be related to cases of alcohol-poisoning, although local residents attributed the deaths to heart-disease and cancer (sic). Perhaps exacerbated by economic hard times, alcoholism appears to be a major problem in Ridder, which is also the case elsewhere in the former Soviet Union. EmbOff observed several instances of daytime public drunkenness in Ridder, mostly before noon.

¶16. (SBU) COMMENT: The opportunities and challenges of life in small towns like Ridder speak volumes about how Kazakhstan and its citizens are struggling to expand its economy, protect its environment, deal with changes in ethnic relations, and balance the influence of its powerful neighbors, especially China and Russia. The global economic crisis appears to be negatively affecting even people living in relatively isolated towns such as Ridder. Many residents share the Russian view that the crisis is of American origin, and look to the United States to end it. These sentiments, however, do not appear to have translated into any evident bitterness against the United States. For residents of Ridder, especially for its ethnic Russians, relations with Russia remain close. The local populace also appears to have grudging respect and cautious optimism about relations with China. END COMMENT.

HOAGLAND